

Last week, in the wake of another uptick in the official unemployment rate, the administration continued to claim that their economic policies were working, just not fast enough. This administration inherited an unemployment rate of 7.7% and promised a peak of no higher than 8% if their policies were followed.

Not only does the administration have a funny way of ending a war, but now they claim their economic policies are successful.

For whom, I wonder?

These policies are not working for the 9.6% of Americans who are out of work, nor for the over 16% underemployed. They are not working for nearly 3 million Americans who have declared bankruptcy in the last two years, or the 40 million currently on food stamps.

Nearly 1 in 6 Americans depend on those and other government anti-poverty programs such as Medicaid and unemployment benefits.

As more Americans are added to the unemployment rolls, the tax base from which to hand out their benefits is shrinking.

Still, businesses are being taxed and regulated out of the market, adding to the problem.

What solutions are put forth?

More government spending - even as each citizen's portion of the public debt is over \$43,000 and expected to increase by \$250,000 over the next 40 years.

No, this economy is not working for these people. But current economic policy does "work" for some people.

For example, it has worked out very well for certain bankers and large corporations, who took on too much risk and got themselves in hot water, and were declared "too big to fail" which is really a euphemism for "friends in high places".

It works well for large, well-connected military industrial corporations, who can always count on perpetual war and conflict to keep them in business.

It also works for those on the government's payroll, which is increasing as the tax base is decreasing.

So where does the government get all this money even as its most obvious stream of revenue dries up? How can it keep spending seemingly indefinitely? Once it steals as much from you as it can get away with through taxation, it steals even more from you through what central bankers like to call quantitative easing, which is more or less the same thing as counterfeiting.

When the money is no longer based on a finite quantity of something of value, like a store of gold or silver, the amount of money in circulation is not limited by anything but the restraint of those in control of the printing presses, in our case the Fed and the US Treasury.

When increasing pressure is put upon them by irresponsible politicians, it is predictable that out of thin air, more money will be created to satisfy the insatiable appetites of those on political spending sprees.

As money becomes more plentiful, it becomes less valuable, and the average citizen suffers again as the value of their savings evaporates.

It has happened over and over in history, and what usually follows is the total debasement of the currency, hyperinflation and chaos.

Sound economic policy would be to take our foot off the gas and apply the brakes to government spending as the economic cliff approaches. We must get back to where our economy produces actual wealth, rather than mere paper wealth.

The road back to fiscal sanity and a strong economy is simple:

Congress just needs to get back to following the Constitution.